



# **ARIZONA DEPARTMENT OF REVENUE**

## **MEMORANDUM**

**DATE:** October 27, 2008

**FROM:** THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS

### ***August 2008 TAX FACTS***

#### **SUMMARY OF GENERAL FUND REVENUES**

	<b><u>August 2008</u></b>	<b><u>Fiscal Year Total</u></b>
<b>Individual Income Tax</b>		
Net Collections	\$ 170,986,418	\$ 375,716,600
Percent Change	(18.8)	(10.9)
<b>Corporate Income Tax</b>		
Net Collections	\$ 19,150,891	\$ 42,445,669
Percent Change	(34.2)	(32.5)
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$ 345,178,741	\$ 701,432,459
Change	(5.9)	(7.6)
<b>Total Big Three Tax Types</b>		
Net Collections	\$ 535,316,050	\$1,119,594,708
Percent Change	(11.7)	(10.0)

December 2007 was the first month that the department used a new computer system to process individual income tax. Some of the reports necessary to provide Tax Facts information are still under development. Those sections have been pulled from this report. Once the information is available it will be sent out.

We apologize for any inconvenience this may cause.

# TAX FACTS

## August 2008

### INDIVIDUAL INCOME TAX

#### Individual Income Tax Receipts

	August 2008	August 2007	% Change
Gross Collections	\$ 14,090,255	\$ 25,938,503	(45.7)
Withholding	246,038,747	281,218,307	(12.5)
Refunds	(28,502,801)	(39,483,408)	(27.8)
Urban Revenue Sharing	(60,639,783)	(57,044,911)	6.3
<b>Net Collections</b>	<b>\$ 170,986,418</b>	<b>\$ 210,628,491</b>	<b>(18.8)</b>

	Fiscal Year Total (07/08)	Fiscal Year Total (06/07)	% Change
Gross Collections	\$ 34,453,040	\$ 43,817,888	(21.4)
Withholding	517,606,648	549,976,150	(5.9)
Refunds	(55,063,521)	(58,091,099)	(5.2)
Urban Revenue Sharing	(121,279,567)	(114,089,821)	6.3
<b>Net Collections</b>	<b>\$ 375,716,600</b>	<b>\$ 421,613,118</b>	<b>(10.9)</b>

#### Federal Employee Retirement Contribution Project (FERC)

Kerr vs. ADOR or FERC, a Supreme Court tax settlement case has resulted in the distribution of one refund to individual income taxpayers during August 2008. This refund totaled \$810.10. Attorney payments are not included in the refund amount and total \$203.00 for the month. Refunds issued as a result of the FERC case are not included in the total refunds listed in neither the "Individual Income Tax Receipts" section above nor the "Average Individual Income Tax Refund" section later mentioned in this publication.

\*The amount shown as refunded may differ from AFIS totals due to timing issues.

#### Average Individual Income Tax Refund

Net of Ladewig and FERC refunds.

	Average	Number
2008 CYTD	\$ 681.12	1,742,806
2007 CYTD	\$ 634.01	1,659,708
<b>% Change</b>	<b>7.4</b>	<b>5.0</b>

#### Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 2006 through March 2007, \$907.1 million was received for the first quarter of 2006. The latest complete quarter (15 months of information has been compiled) is the second quarter of 2007, which shows an increase of 1.21% in withholding payments over the second quarter of 2006. Growth in quarters for which information is still being gathered is as follows:

3 <sup>rd</sup> Quarter 2007	5.0%	1 <sup>st</sup> Quarter 2008	(0.04%)
4 <sup>th</sup> Quarter 2007	(1.93%)	2 <sup>nd</sup> Quarter 2008	1.67%
		3 <sup>rd</sup> Quarter 2008	(2.89%)

The current choices for withholding are 0%, 10%, 19%, 23%, 25%, 31% or 37% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

## **Clean Elections**

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. The following is for returns filed in 2008.

	<u><b>August 2008</b></u>	<u><b>Calendar Year Total</b></u>
Check Off	\$ 81,260	\$ 6,032,880
Voluntary Donation	\$ 1,134	\$ 51,240
Number of Returns	10,725	842,500

## **Contributions on the Individual Income Tax Return**

Through August 2008, individual income tax return filers have made the following contributions:

	<u><b>Number</b></u>	<u><b>Amount</b></u>	<u><b>Average</b></u>
Wildlife	11,101	\$ 238,070	\$ 21.45
Child Abuse	11,323	249,023	21.99
Special Olympics	5,125	98,389	19.20
Neighbors Helping	2,994	52,358	17.49
AID to Education	794	102,176	128.69
Domestic Violence Shelter	8,358	189,234	22.64
National Guard Contributions	4,848	123,953	25.57
Veteran's Fund	3,110	68,327	21.97
Democratic Party	1134	28,121	24.80
Republican Party	630	15,383	24.42
Green Party	28	557	19.89
Libertarian Party	80	1,952	24.40

## **CORPORATE INCOME TAX**

### **Corporate Income Tax Receipts**

	<u><b>August 2008</b></u>	<u><b>August 2007</b></u>	<u><b>% Change</b></u>
Gross Collections	\$27,451,899	\$31,231,529	(12.1)
Refunds	(\$8,301,008)	(\$2,130,867)	289.6
<b>Net Collections</b>	<b>\$19,150,891</b>	<b>\$29,100,662</b>	<b>(34.2)</b>

  

	<u><b>Fiscal Year Total</b></u>	<u><b>Prior Fiscal Year Total</b></u>	<u><b>% Change</b></u>
Gross Collections	\$58,307,344	\$67,861,158	(14.1)
Refunds	(\$15,861,675)	(\$4,957,287)	220.0
<b>Net Collections</b>	<b>\$42,445,669</b>	<b>\$62,903,871</b>	<b>(32.5)</b>

### **Corporate Estimated Payments**

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

August 2008	\$20,011,791	Calendar Year Total	\$363,324,755
August 2007	\$20,522,095	Calendar Year Total	\$380,061,657
% Change	(2.5%)	% Change	(4.4%)

All corporations with an income tax liability of \$20,000 or greater are required to make estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment.

<u><b>Size of Payment →</b></u>	<u><b>Less than \$50,000</b></u>	<u><b>\$50,000 up to \$100,000</b></u>	<u><b>\$100,001 up to \$500,000</b></u>	<u><b>\$500,001 up to \$1,000,000</b></u>	<u><b>\$1,000,001 up to \$10,000,000</b></u>	<u><b>\$10,000,001 and more</b></u>	<u><b>Total</b></u>	<u><b>% chg</b></u>
<b>August 2008</b>	100	8	12	2	2	0	124	4.2
<b>August 2007</b>	98	4	9	3	5	0	119	
<b>CY 2008</b>	1,987	276	334	64	46	2	2,709	(5.4)
<b>CY 2007</b>	2,087	301	353	60	62	0	2,863	

The next table shows the dollars of eft estimated payments received from those counts above.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,001 up to \$500,000	\$500,001 up to \$1,000,000	\$1,000,001 and more	Total	% chg
<b>August 2008</b>	\$810,119	\$522,000	\$2,928,000	\$1,439,000	\$13,000,000	\$18,699,119	0.6
<b>August 2007</b>	\$1,217,019	\$300,000	\$2,174,100	\$2,180,000	\$12,714,800	\$18,585,919	
<b>CY 2008</b>	\$23,266,390	\$19,163,650	\$74,580,289	\$45,367,555	\$145,604,583	\$307,982,467	(2.3)
<b>CY 2007</b>	\$26,273,548	\$21,070,625	\$81,109,514	\$41,717,990	\$145,180,662	\$315,352,339	

### **Corporate Refunds:**

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 07/08 by corporate fiscal year. For example, in FY 07/08, 22.7% of the refund dollars paid were for corporate fiscal years ending in 2003 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	03 & Prior	04	05	06	07	08
FY 07/08	22.7%	4.7%	3.2%	57.2%	10.8%	1.4%
Corporate Fiscal Year-End:	04 & Prior	05	06	07	08	09
FY 08/09	23.4%	4.6%	18.4%	50.3%	3.3%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table presents refunds applied as estimated payments in the most recent month and for the calendar year.

August 2008	\$9,614,652	Calendar Year Total	\$109,395,595
August 2007	\$4,693,168	Calendar Year Total	\$56,025,973
% Change	104.9%	% Change	95.3%

### **Corporate Income Tax Document Count**

The Arizona Department of Revenue received 124,953 corporate returns showing a fiscal year-end of 2006. The type of return received is indicated below:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	221	36,461	75,661	513	12,097
%	0.2	29.2	60.5	0.4	9.7

Through August 2008, 94,413 documents were received for a fiscal year-end of 2007, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	133	24,055	59,579	378	10,268
%	0.1	25.5	63.1	0.4	10.9

The figures for the 2007 returns are most meaningful when compared to 2006 returns received during the same period of time in the previous year. Through August 2007, the Department of Revenue received 86,203 documents with a fiscal year-end of 2006. Compared to 2007 documents, the Department has seen a 9.5% increase in the number of corporate returns processed at this point of time in the calendar year.

### **Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed during Fiscal Year 2007/08 is 15.0 of net proceeds from Fiscal Year 2005/06 income tax. Amounts returned for August 2008 are shown on Table 2, at the end of this report.

## TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

### **Transaction Privilege, Severance and Use Tax Receipts**

The Arizona transaction privilege and severance tax consists of many classifications of tax. These classifications include but are not limited to retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non-shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non-shared. In contrast, contracting is 20% distribution base and 80% non-shared. Use tax is 100% non-shared. At the close of each month, transaction privilege and severance tax collections are aggregated by category and total distribution base and non-shared portions are calculated. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. Education tax is in accordance with Proposition 301 resulting in an additional 0.6% education tax being added to most business classifications.

The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	August 2008	August 2007	% change
Distribution Base	\$134,155,874	\$145,318,804	(7.7)
Non shared	268,403,362	287,403,572	(6.6)
Use Tax	30,505,018	29,103,528	4.8
Education Tax	50,511,052	53,707,292	(6.0)
Other Revenues	62,045,854	65,413,031	(5.1)
<b>Total Collections</b>	<b>\$545,621,159</b>	<b>\$580,946,227</b>	<b>(6.1)</b>

  

	Fiscal Year Total (08/09)	Fiscal Year Total (07/08)	% change
Distribution Base	\$274,656,344	\$301,056,988	(8.8)
Non shared	544,501,789	595,278,905	(8.5)
Use Tax	62,201,696	60,403,917	3.0
Education Tax	102,494,957	111,370,562	(8.0)
Other Revenues	126,852,728	136,683,744	(7.2)
<b>Total Collections</b>	<b>\$1,110,707,515</b>	<b>\$1,204,794,115</b>	<b>(7.8)</b>

### **Distribution of Transaction Privilege, Severance and Use Tax Receipts**

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non-shared revenue and use tax is deposited into the general fund. Therefore, the "Retained by State" figure presented below includes all non-shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. The education tax is distributed in accordance with Proposition 301. "Other" revenues are returned to the administering authority.

	August 2008	August 2007	% change
Retained by State	\$345,178,741	\$366,627,555	(5.9)
Returned to Counties	54,346,544	58,868,647	(7.7)
Returned to Cities	33,538,968	36,329,701	(7.7)
Education Tax	50,511,052	53,707,292	(6.0)
Other Revenues	62,045,854	65,413,031	(5.1)
<b>Total Collections</b>	<b>\$545,621,159</b>	<b>\$580,946,226</b>	<b>(6.1)</b>

  

	Fiscal Year Total (08/09)	Fiscal Year Total (07/08)	% change
Retained by State	\$701,432,459	\$759,517,377	(7.6)
Returned to Counties	111,263,285	121,958,185	(8.8)
Returned to Cities	68,664,086	75,264,247	(8.8)
Education Tax	102,494,957	111,370,561	(8.0)
Other Revenues	126,852,728	136,683,743	(7.2)
<b>Total Collections</b>	<b>\$1,110,707,515</b>	<b>\$1,204,794,114</b>	<b>(7.8)</b>

### **Transaction Privilege and Severance Tax Collections By Class**

	<b>Tax Rate</b>	<b>August 2008</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting	5.6	\$ 210,804	N/A	\$ 398,052	(7.7)
Non-Metal Mining Oil/Gas	3.125	\$ 495,305	(13.1)	\$ 878,735	(27.2)
Utilities	5.6	\$ 53,866,169	26.4	\$ 97,038,339	11.1
Communications	5.6	\$ 11,481,185	(26.3)	\$ 29,032,000	(5.2)
Private Car/Pipelines	5.6	\$ (13,471)	N/A	\$ 10,242	(94.8)
Publishing	5.6	\$ 390,096	(35.9)	\$ 824,038	(29.2)
Job Printing	5.6	\$ 1,342,472	(20.1)	\$ 2,715,157	(18.1)
Restaurants & Bars	5.6	\$ 35,133,366	(3.7)	\$ 71,703,585	(5.6)
Amusements	5.6	\$ 4,519,708	4.2	\$ 9,123,394	0.4
Commercial Lease	0	\$ 5	N/A	\$ 19	N/A
Rental of Personal Property	5.6	\$ 15,633,287	(5.9)	\$ 31,080,197	(5.1)
Contracting	5.6	\$ 76,165,396	(15.6)	\$ 155,038,400	(17.5)
Retail	5.6	\$ 192,418,986	(8.9)	\$ 397,337,312	(9.7)
Mining Severance	2.5	\$ 2,823,790	(35.0)	\$ 6,131,956	(24.7)
Timber Severance*	0	\$ (1)	(82.4)	\$ (1)	N/A
Hotel/Motel	5.5	\$ 7,648,325	(1.7)	\$ 16,944,886	(1.2)
Membership Camping*	0	\$ (4)	N/A	\$ (7)	N/A
Use Tax	5.6	\$ 30,505,018	4.8	\$ 62,201,696	3.0
Rental Occupancy Tax*	0	\$ (54)	N/A	\$ (53)	N/A
Jet Fuel		\$ 327,422	(23.6)	\$ 671,633	(28.3)
Jet Fuel Use Tax	.0305/.0105 gal	\$ 21,745	(66.5)	\$ 50,621	(48.2)
Telecomm Devices	----	\$ 533,587	(8.6)	\$ 1,066,744	(8.0)
911 Telecommunications		\$ 1,450,970	(1.1)	\$ 3,019,142	N/A
911 Wireline	0.20/month per active service	\$ (882)	(94.2)	\$ 601	N/A
911 Wireless	0.20/month per active service	\$ (8,507)	(24.9)	\$ (6,936)	N/A
<b>Total</b>		<b>\$ 434,944,716</b>	<b>(6.2)</b>	<b>\$ 885,259,753</b>	<b>(7.9)</b>

\*As of 11/1/06, these categories are no longer subject to county and state tax.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the department.

### **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>August 2008</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting	4,220,495	N/A	7,969,756	(7.7)
Non-Metal Mining Oil/Gas	15,868,847	(3.1)	28,158,232	(27.2)
Utilities	1,077,856,599	26.3	1,941,834,871	11.1
Communications	229,819,395	(26.3)	581,032,776	(5.3)
Private Car/Pipelines	(268,053)	N/A	207,608	N/A
Publishing	7,809,788	(36.0)	16,496,391	(29.2)
Job Printing	26,872,403	(20.2)	54,349,527	(18.1)
Restaurants & Bars	703,176,463	(3.8)	1,435,095,695	(5.6)

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

### **Transaction Privilege and Severance Tax Taxable Sales By Class continued**

	August 2008	% Chg	Fiscal Year Total	% Chg
Amusements	90,450,651	4.0	182,580,854	0.3
Commercial Lease	163	N/A	639	N/A
Rental of Personal Property	312,886,633	(6.0)	622,048,752	(5.1)
Contracting	1,524,686,783	(15.6)	3,103,547,616	(17.5)
Retail	3,851,465,649	(9.0)	7,952,950,053	(9.7)
Mining Severance	113,069,608	(35.1)	245,514,193	(24.7)
Timber Severance*	0	N/A	0	N/A
Hotel/Motel	139,171,066	(1.9)	308,312,331	(1.3)
Membership Camping*	0	N/A	0	N/A
Use Tax	611,382,923	4.3	1,251,193,201	3.2
Rental Occupancy Tax*	(1,859)	N/A	(1,859)	N/A
<b>Total</b>	<b>8,708,467,557</b>	<b>(6.6)</b>	<b>17,731,290,634</b>	<b>(8.0)</b>

\*As of 11/1/06, these categories are no longer subject to county and state tax.

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table are not elements of calculated taxable income and therefore, are not included in the above table. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for August 2008 is shown in the County Share column.

	County Share	% of Total	FYTD County Share	% Change
Apache	\$ 388,881	0.7	\$ 809,281	(3.6)
Coconino	1,451,833	2.7	2,972,500	(8.6)
Cochise	955,601	1.8	1,977,952	(6.6)
Gila	417,067	0.8	864,229	(7.8)
Graham	290,591	0.5	588,202	(1.1)
Greenlee	340,764	0.6	705,901	(25.0)
La Paz	145,338	0.3	293,970	(7.2)
Maricopa	34,462,587	63.4	70,558,686	(9.1)
Mohave	1,712,783	3.2	3,416,612	(7.0)
Navajo	884,311	1.6	1,825,225	(4.7)
Pima	7,742,191	14.2	15,910,431	(8.6)
Pinal	1,846,546	3.4	3,727,868	(7.8)
Santa Cruz	358,603	0.7	739,728	(8.0)
Yavapai	1,955,683	3.6	3,991,116	(10.9)
Yuma	1,393,765	2.6	2,881,588	(3.6)
<b>Total</b>	<b>\$ 54,346,544</b>		<b>\$ 111,263,285</b>	<b>(8.8)</b>

### **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for August 2008 is shown on Table 3, attached to this report.

### **County Tax Collections**

The county-imposed tax collections received by the Department of Revenue during August 2008 and returned to the counties are shown on Table 4, attached to this report. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge in Pima County is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

## OTHER TAXES

### Luxury Taxes

The following revenues were received from luxury taxes in August 2008. The table compares the receipts to August 2007 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	<b>August 2008</b>		<b>August 2007</b>		<b>% Change</b>
Spirituous	\$	1,775,630	\$	1,012,307	75.4
Vinous		880,305		536,632	64.0
Malt		1,849,816		1,860,345	(0.6)
Cigarette		31,867,914		34,267,247	(7.0)
Other Tobacco		1,190,111		1,329,743	(10.5)
Tobacco Licenses		475		500	(5.0)
<b>Total</b>	<b>\$</b>	<b>37,564,251</b>	<b>\$</b>	<b>39,006,774</b>	<b>(3.7)</b>

  

	<b>Fiscal Year (08/09)</b>		<b>Fiscal Year (07/08)</b>		<b>% Change</b>
Spirituous	\$	4,475,843	\$	3,288,742	36.1
Vinous		1,823,704		1,397,232	30.5
Malt		3,860,397		3,976,867	(2.9)
Cigarette*		63,485,035		63,169,204	0.5
Other Tobacco		2,524,071		2,688,934	(6.1)
Tobacco Licenses		1,050		1,050	0.0
<b>Total</b>	<b>\$</b>	<b>76,170,099</b>	<b>\$</b>	<b>74,522,030</b>	<b>2.21</b>

\*Through August 2008, \$401,852.28 of cigarette and tobacco tax collections have been allocated for administrative expenses and are not included in the cigarette collections above.

### General fund revenues from luxury taxes:

	<b>August 2008</b>		<b>FY 08/09</b>	
Spirituous	\$	1,242,941	\$	3,133,090
Vinous		220,076		455,926
Malt		462,454		965,099
Cigarettes		2,549,918		5,103,340
Other Tobacco		53,555		113,583
Tobacco Licenses		475		1,050
<b>Total</b>	<b>\$</b>	<b>4,529,420</b>	<b>\$</b>	<b>9,772,088</b>



**Other Dedicated revenues from luxury taxes:**

	<b>August 2008</b>		<b>FY08/09</b>	
Corrections Fund	\$	2,092,481	\$	4,488,720
Tobacco Tax & Health Care Fund <sup>2</sup>		6,610,392		13,140,479
Tobacco Products Tax Fund <sup>3</sup>		9,915,589		19,710,720
Drug Treatment & Education Fund		615,716		1,336,447
Corrections Rev. Fund		244,377		532,162
Smoke Free Arizona Fund <sup>4</sup>		318,740		637,917
Early Childhood Development and Health Fund <sup>5</sup>	\$	13,237,536	\$	26,551,566

**Estate Tax**

	<b>Monthly</b>		<b>FYTD</b>	
August-08	\$	19,614	\$	22,662
August-07	\$	31,220	\$	254,076
% change		<b>(37.2)</b>		<b>N/A</b>

**Bingo Tax**

	<b>Monthly</b>		<b>FYTD</b>	
August-08	\$	33,728	\$	90,442
August-07	\$	38,351	\$	99,213
% change		<b>(12.1)</b>		<b>(8.8)</b>

**Unclaimed Property**

	<b>Monthly</b>		<b>FYTD</b>	
August-08	\$	(367,122)	\$	655,959
August-07	\$	(4,194,930)	\$	15,506,309
% change		<b>N/A</b>		<b>N/A</b>

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

<sup>2</sup> Formerly the Health Care Fund

<sup>3</sup> This Fund was created by Prop. 303, which increased cigarette & other tobacco products tax rates in November 2002.

<sup>4</sup> This Fund was created by Prop. 201, which increased cigarette tax rates in December 2006.

<sup>5</sup> This Fund was created by Prop. 203, which increased cigarette & other tobacco products tax rates in December 2006.

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**August 2008**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Surprise	1,090,356	88,265
Eagar	\$55,326	4,435	Tempe	2,069,969	165,796
St. Johns	48,222	3,865	Tolleson	80,858	6,498
Springerville	25,781	2,065	Wickenburg	75,713	6,077
<b><u>Cochise County</u></b>			Youngtown	76,319	6,163
Benson	59,217	4,740	<b><u>Mohave County</u></b>		
Bisbee	81,984	6,570	Bullhead City	476,448	38,210
Douglas	214,696	17,195	Colorado City	50,815	4,080
Huachuca City	22,848	1,830	Kingman	321,849	25,860
Sierra Vista	544,597	43,690	Lake Havasu City	665,144	53,435
Tombstone	20,093	1,610	<b><u>Navajo County</u></b>		
Willcox	48,508	3,885	Holbrook	67,672	5,425
<b><u>Coconino County</u></b>			Pinetop-Lakeside	51,913	4,165
Flagstaff	762,672	61,185	Show Low	123,032	9,885
Fredonia*	18,641	1,500	Snowflake	61,557	4,935
Page	88,770	7,110	Taylor	51,027	4,100
Williams	39,229	3,145	Winslow	122,814	9,835
<b><u>Gila County</u></b>			<b><u>Pima County</u></b>		
Globe	93,644	7,495	Marana	331,055	26,725
Hayden*	18,610	1,500	Oro Valley	490,660	39,400
Miami	24,422	1,955	Sahuarita	172,464	13,990
Payson	192,396	15,430	South Tucson	70,313	5,630
Star Valley	24,628	2,006	Tucson	6,609,823	529,770
Winkelman*	18,512	1,500	<b><u>Pinal County</u></b>		
<b><u>Graham County</u></b>			Apache Junction	425,195	34,070
Pima	27,221	2,182	Casa Grande	404,121	32,470
Safford	116,920	9,360	Coolidge	102,119	8,180
Thatcher	56,735	4,550	Eloy	138,838	11,125
<b><u>Greenlee County</u></b>			Florence	255,362	20,530
Clifton*	32,436	2,596	Kearny	28,100	2,249
Duncan	18,592	1,500	Mammoth	22,015	1,762
<b><u>La Paz County</u></b>			Maricopa	195,627	15,934
Parker	40,951	3,280	Superior	40,657	3,254
Quartzsite	44,927	3,600	<b><u>Santa Cruz County</u></b>		
<b><u>Maricopa County</u></b>			Nogales	272,547	21,830
Avondale	859,297	69,356	Patagonia*	18,607	1,500
Buckeye	313,763	25,406	<b><u>Yavapai County</u></b>		
Carefree	45,865	3,684	Camp Verde	133,788	10,730
Cave Creek	59,323	4,766	Chino Valley	153,091	12,325
Chandler	2,872,496	230,845	Clarkdale	45,923	3,680
El Mirage	394,725	32,061	Cottonwood	135,325	10,860
Fountain Hills	305,089	24,492	Dewey-Humboldt	49,478	4,030
Gila Bend	24,739	1,980	Jerome*	18,487	1,500
Gilbert	2,203,582	177,544	Prescott	507,915	40,770
Glendale	3,023,148	242,369	Prescott Valley	417,321	33,575
Goodyear	571,478	46,213	Sedona	136,465	10,935
Guadalupe	69,336	5,555	<b><u>Yuma County</u></b>		
Litchfield Park	56,419	4,528	San Luis	284,846	22,930
Mesa	5,587,779	448,096	Somerton	101,241	9,750
Paradise Valley	173,167	13,863	Wellton	24,583	1,970
Peoria	1,719,553	138,143	Yuma	1,113,305	89,306
Phoenix	18,406,099	1,475,834			
Queen Creek	202,457	16,414			
Scottsdale	2,926,135	234,752			
			<b>TOTAL</b>	<b>\$60,639,783</b>	<b>4,869,189</b>

\*Population adjusted to reflect minimum requirement of 1,500 per HB 2391, Chapter 290, 2<sup>nd</sup> Regular Session, 2008.

**TABLE 3**  
**Transaction Privilege and Severance Tax Returned to Cities/Towns**  
**August 2008**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Surprise	\$608,531	88,265
Eagar	\$30,577	4,435	Tempe	\$1,143,057	165,796
Springerville	\$14,237	2,065	Tolleson	\$44,800	6,498
St. Johns	\$26,647	3,865	Wickenburg	\$41,897	6,077
<b><u>Cochise County</u></b>			Youngtown	\$42,490	6,163
Benson	\$32,679	4,740	<b><u>Mohave County</u></b>		
Bisbee	\$45,296	6,570	Bullhead City	\$263,434	38,210
Douglas	\$118,549	17,195	Colorado City	\$28,129	4,080
Huachuca City	\$12,617	1,830	Kingman	\$178,288	25,860
Sierra Vista	\$301,215	43,690	Lake Havasu City	\$368,400	53,435
Tombstone	\$11,100	1,610	<b><u>Navajo County</u></b>		
Willcox	\$26,785	3,885	Holbrook	\$37,402	5,425
<b><u>Coconino County</u></b>			Pinetop/Lakeside	\$28,715	4,165
Flagstaff	\$421,831	61,185	Show Low	\$68,151	9,885
Fredonia	\$7,653	1,110	Snowflake	\$34,024	4,935
Page	\$49,019	7,110	Taylor	\$28,267	4,100
Williams	\$21,683	3,145	Winslow	\$67,806	9,835
<b><u>Gila County</u></b>			<b><u>Pima County</u></b>		
Globe	\$51,673	7,495	Marana	\$184,252	26,725
Hayden	\$6,150	892	Oro Valley	\$271,638	39,400
Miami	\$13,478	1,955	Sahuarita	\$96,452	13,990
Payson	\$106,380	15,430	South Tucson	\$38,815	5,630
Star Valley	\$13,830	2,006	Tucson	\$3,652,425	529,770
Winkelman	\$3,054	443	<b><u>Pinal County</u></b>		
<b><u>Graham County</u></b>			Apache Junction	\$234,891	34,070
Pima	\$15,044	2,182	Casa Grande	\$223,860	32,470
Safford	\$64,531	9,360	Coolidge	\$56,396	8,180
Thatcher	\$31,369	4,550	Eloy	\$76,700	11,125
<b><u>Greenlee County</u></b>			Florence	\$141,541	20,530
Clifton	\$17,898	2,596	Kearny	\$15,505	2,249
Duncan	\$5,598	812	Mammoth	\$12,148	1,762
<b><u>La Paz County</u></b>			Maricopa	\$109,855	15,934
Parker	\$22,614	3,280	Superior	\$22,434	3,254
Quartzsite	\$24,820	3,600	<b><u>Santa Cruz County</u></b>		
<b><u>Maricopa County</u></b>			Nogales	\$150,504	21,830
Avondale	\$478,165	69,356	Patagonia	\$6,343	920
Buckeye	\$175,158	25,406	<b><u>Yavapai County</u></b>		
Carefree	\$25,399	3,684	Camp Verde	\$73,977	10,730
Cave Creek	\$32,859	4,766	Chino Valley	\$84,973	12,325
Chandler	\$1,591,529	230,845	Clarkdale	\$25,371	3,680
El Mirage	\$221,040	32,061	Cottonwood	\$74,873	10,860
Fountain Hills	\$168,857	24,492	Dewey-Humboldt	\$27,784	4,030
Gila Bend	\$13,651	1,980	Jerome	\$2,275	330
Gilbert	\$1,224,052	177,544	Prescott	\$281,083	40,770
Glendale	\$1,670,979	242,369	Prescott Valley	\$231,478	33,575
Goodyear	\$318,609	46,213	Sedona	\$75,390	10,935
Guadalupe	\$38,298	5,555	<b><u>Yuma County</u></b>		
Litchfield Park	\$31,218	4,528	San Luis	\$158,088	22,930
Mesa	\$3,089,335	448,096	Somerton	\$67,220	9,750
Paradise Valley	\$95,577	13,863	Wellton	\$13,582	1,970
Peoria	\$952,408	138,143	Yuma	\$615,708	89,306
Phoenix	\$10,174,932	1,475,834			
Queen Creek	\$113,164	16,414			
Scottsdale	\$1,618,465	234,752	<b>TOTAL</b>	<b>\$33,538,968</b>	<b>4,864,696</b>

**TABLE 4**  
**County Tax Collections**  
**August 2008**

	Road	Excise	Jail	Rental Car	Stadium	RV Surcharge	Hospital/ Health Svc	Capital Projects	Sports & Tourism Authority
<b>Apache</b>		\$ 126,819							
<b>Cochise</b>		\$ 621,887							
<b>Coconino</b>		\$ 1,180,777	\$ 1,179,479					\$ 294,902	
<b>Gila</b>	\$ 302,373	\$ 294,099							
<b>Graham</b>		\$ 181,882							
<b>Greenlee</b>		\$ 204,371							
<b>La Paz</b>		\$ 85,662	\$ 85,662				\$ (2)		
<b>Maricopa</b>	\$ 28,259,677		\$ 10,395,662	\$ 434,732	\$ 56				\$ 1,252,233
<b>Mohave</b>		\$ 692,081							
<b>Navajo</b>		\$ 610,794							
<b>Pima</b>	\$ 5,849,464			\$ 108,337		\$ 6,219			
<b>Pinal</b>	\$ 1,412,191	\$ 1,369,915					\$ 272,667		
<b>Santa Cruz</b>		\$ 264,463	\$ 264,210						
<b>Yavapai</b>		\$ 1,322,550	\$ 661,510						
<b>Yuma</b>		\$ 934,094	\$ 934,096				\$ 184,408	\$ 11,721	